

ELSA U. PARDEE FOUNDATION

■ 2013 ANNUAL REPORT ■

Fighting Cancer Every Day

OFFICERS AND TRUSTEES

Gail E. Lanphear	President
Lisa J. Gerstacker	Vice President, Asst. Treasurer
Mary M. Neely.....	Secretary
Alan W. Ott.....	Treasurer
W. James Allen.....	Asst. Treasurer, Asst. Secretary
Laurie G. Bouwman	Trustee
William C. Lauderbach.....	Trustee
Bill Schuette.....	Trustee
Michael Woolhiser	Trustee

Kathy McDonald, Staff Assistant

THE MEDICAL COMMITTEE

Michael Woolhiser, Ph.D. (Chairman)
Darrell R. Boverhof, Ph.D.
Brian B. Gourlie, Ph.D.
Matthew J. LeBaron, Ph.D.
Patricia LoRusso, D.O.
Ahmed Abdel Maksoud, M.D.
Rosalyn M. Sweeting, Ph.D.
David H. Swenson, Ph.D.*
Bing Yang, Ph.D.

*Retired from the Medical Committee effective April 18, 2013

PURPOSE OF THE FOUNDATION

The Elsa U. Pardee Foundation was established in 1944 under the terms of the will of its namesake, whose life was taken by cancer on October 2, 1944. Mrs. Pardee provided a \$1,000,000 trust fund “for the promotion of the control and cure of cancer.” She directed that this bequest be used to support research in the field of cancer and to provide for others the advantages of knowledge and techniques still undiscovered in the treatment of cancer.

Cover Photo

Elsa U. Pardee with her husband, James T. Pardee, former board chairman of The Dow Chemical Company.

PRESIDENT'S LETTER

It has been a productive year for the Pardee Foundation. The Foundation's trustees, Medical Committee and six Pardee Cancer Treatment Fund staff and volunteers provided dedicated service on behalf of victims of cancer in 2013. Total funds granted by the foundation in 2013 were \$4.9 million. Of that, \$2.5 million was distributed for research projects.

This year, the number of research grant proposals submitted increased by 189 to 349. A total of 16 grants to outstanding scientific institutions across the country were funded. In addition, \$191,000 was approved to support education initiatives.

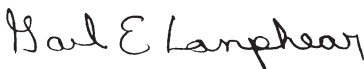
The six Pardee Treatment Funds' staff and boards provided funding for 684 cancer patients in 2013. The average amount spent per individual was \$1,968. In recognition of the countless hours contributed by staff and volunteers, a luncheon was held in their honor by the Pardee trustees.

Laurie Bouwman was elected to the office of assistant secretary at the December 2013 Trustees' meeting. Ms. Bouwman has been a trustee for six years. She is a Pardee family member and we welcome and appreciate Laurie for taking on this role.

Recently retired trustee, David Swenson, was honored in 2013 by the board for his 12 years of outstanding service to the Medical Review Committee, including a term as chair. Also honored was Lucille Dougherty, administrative assistant, who retired in March after 30 years of stellar service to the foundation.

Special appreciation is due the Pardee trustees, staff and volunteers who have successfully joined their efforts on behalf of cancer victims across the country. I am deeply grateful for their generous donation of time and expertise. It is my great privilege to work with this dedicated group.

Sincerely,



Gail E. Lanphear
President

Grants Made By The Foundation For the Year Ended December 31, 2013

Recipient and Purpose	Amount
Boise State University – For the study of NulloPs peptides treatment of cancer	\$100,000
University of Colorado – For the study of the erbB3-targeting miRNAs in breast cancer chemotherapy	125,000
Dana-Farber Cancer Institute – For the study of microenvironment-induced drug resistance of breast cancer in the metastatic niche	150,000
Emory University – For the study of CHFRas novel drug target to overcome taxane resistance in cancer	125,000
Fred Hutchinson Cancer Center – For the study of in-vivo programming of anti-cancer t-cells 'on demand'	175,000
Indiana University – For the study of targeting PRL2 in acute myeloid leukemia	125,000
Mayo Clinic – For the study of tumor clonal evolution in melanoma progression	187,021
University of Michigan – For the study of molecular mechanisms of bladder tumorigenesis (\$125,315); for the study of amplifying NOTCH1 signals in t-cell leukemia (\$97,180); for the study of ultra-high sensitivity minimal residual disease detection in acute myelogenous leukemia (\$126,868); for support of a medical oncology fellowship training program (\$100,000)	449,363
University of Pennsylvania – For the study of elucidating links between metabolism and epigenetics in prostate cancer	149,808
Stanford University – For the study of a long-non coding RNA involved in the pathogenesis of Ewing's Sarcoma	200,000
Utah Valley University – For the study of high frequency ultrasound for real-time pathology during breast cancer surgery	81,018
Washington University – For the study of E3 ubiquitin ligases in glioblastoma cancer stem cell function (\$115,761); for the study of magnetic resonance imaging and tracking of melanoma exosomes (\$223,199); for the study of rational therapeutic targets in tumor dormancy (\$148,619)	487,579
MidMichigan Medical Center – For continuation of the cancer registry (\$75,000); for the memorial lectureship program (\$6,500)	81,500
Pardee Cancer Treatment Association of Greater Brazosport, TX – For a program supporting the cure and control of cancer	50,000
Pardee Cancer Treatment Fund of Bay County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Bay County	150,000

Pardee Cancer Treatment Fund of Clare County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Clare County	150,000
Pardee Cancer Treatment Fund of Gratiot County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Gratiot County	175,000
Pardee Cancer Treatment Fund of Isabella County – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Committee of Isabella County	200,000
Pardee Cancer Treatment Fund of Midland/Gladwin – To assist in the cure and control of cancer through the program of the Pardee Cancer Treatment Fund	1,800,000
Council of Michigan Foundations	9,700
Total Grants	<u>\$4,970,989</u>
Grant funds returned	(63,492)
Administrative expense	244,674
Federal Excise Tax	254,000
Other Taxes	15,273
TOTAL DISBURSEMENTS	<u>\$5,421,444</u>

ELSA U. PARDEE FOUNDATION

Midland, Michigan

Statement of Assets, Liabilities and Net Assets – Modified Cash Basis

December 31, 2013

Assets

Cash and cash equivalents	\$ 28,459,923
Marketable securities (at fair market value):	
Stocks	40,589,530
Corporate bonds	6,941,068
Foreign bonds	362,440
Government bonds	12,210,221
Mutual funds	1,104,832
Total marketable securities	<u>61,208,091</u>
Limited partnerships	441,599
Total assets	<u>\$ 90,109,613</u>

Liabilities

Federal excise tax payable	\$ 124,965
Total liabilities	<u>124,965</u>

Unrestricted net assets

	89,984,648
Total liabilities and unrestricted net assets	<u>\$ 90,109,613</u>

Statement of Revenue, Expenses, and Changes in Net Assets – Modified Cash Basis

Year ended December 31, 2013

Revenues and gains (losses)

Interest	\$ 608,582
Dividends	1,627,291
Net realized and unrealized gain on investments	11,245,688
Losses from limited partnerships	(33,653)
Total revenue and gains (losses)	<u>13,447,908</u>

Grants

Grants authorized:	
Grant payments made	4,970,989
Grant funds returned	(63,492)
Decrease in grants authorized but unpaid	(400,000)
Total grants	<u>4,507,497</u>

Other expenses

Administrative	234,974
Federal excise taxes	254,000
Other taxes	15,273
Total other expenses	<u>504,247</u>
Total grants and other expenses	<u>5,011,744</u>
Increase in unrestricted net assets	8,436,164
Unrestricted net assets at beginning of period	81,548,484
Unrestricted net assets at end of period	<u>\$ 89,984,648</u>

GRANT APPLICATION PROCEDURE

The Elsa U. Pardee Foundation operates under the laws of the State of Michigan, with headquarters in Midland, Michigan. Since its establishment (the Articles of Incorporation were filed December 28, 1944), the trustees have been responsible for allocating the funds to the best uses for which the late Mrs. Pardee intended them.

The Foundation does not directly administer the programs which it supports. The recipients are asked to submit yearly progress reports and a financial accounting concerning the expenditures of the research grant.

Grants are limited under the terms of the charter to the cure and control of cancer, and in general do not provide for building funds, equipment (except that used in a specific project), fellowships or fund-raising campaign contributions.

The Elsa U. Pardee Foundation provides support for research directed towards the detection, treatment, and cure of cancer. Priority is given to researchers at non-profit institutions in the United States who are new to the field of cancer research, or to established research investigators examining new approaches to cancer cure.

An attempt is made to initiate several new projects each year, as other projects are concluded. The Foundation particularly welcomes innovative, small-scale, short-term projects which may be difficult to fund elsewhere until some interesting results are obtained.

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ELSA U. PARDEE
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